

Individual Income Tax Filing Tips & 1099G Information

FILING TIPS:

File Electronically – Filing electronically is the fastest way to receive your refund. Electronic filed returns generally process within 7 – 10 days. And it's the only way to have your refund check direct deposited into your bank account.

Direct Deposit – If you are filing electronically and request that your refund be direct deposited, be sure to verify that all account and routing numbers are current.

Payments – When submitting payments for electronically filed returns, **do not** send a copy of your return. Use form 740-V to remit your payment. Include your Social Security number and tax year on the check.

Wage and Tax Statements – Be sure that all necessary statements are attached to support the *Kentucky* withholding claimed on the return.

Social Security Numbers – The numbers are *not* on the pre-printed labels. Please enter them legibly and in the appropriate boxes on the return.

Addresses – If your address is correct, use the pre-printed labels furnished with your booklet. Otherwise, make sure the address entered on the return is the correct address. If you move after you have submitted your return, please contact the Department of Revenue to update your address.

Form 2210-K – When applicable, use Form 2210-K to calculate any underpayment of estimated tax penalties, underpayment of estimated tax interest or to claim an exception to the penalty. Check the appropriate box on Form 740 when Form 2210-K is attached.

2D Barcode Returns – Even though some W-2 information is included, wage statements need to be attached for verification of withholding claimed.

Credit for Tax Paid to Another State – Paper returns *must* include copies of other state(s) returns if claiming a credit. Electronically filed returns must have the Credit for Tax Paid to Another State worksheet completed and submitted with the electronic submission for proper processing.

Amended Returns – Use the proper form for the year you are amending and include a complete explanation of the changes. Processing of amended returns is from 4 to 6 months.

Attach Supporting Schedules – Make sure all appropriate schedules and worksheets are attached to the return (i.e. K-1's, 8863-K, etc.).

FORM 1099G

If you received a Kentucky income tax refund last year, we're required by federal law to send Form 1099G to you to remind you that the state refund must be reported as income on your federal tax return if you itemize deductions.

When you itemize deductions on your federal return, you are allowed to deduct state income taxes or sales taxes that you paid during the year. This deduction reduces your federal taxable income. If any part of the state income taxes you deducted on your federal return is later refunded to you, that amount must be reported as taxable income for the year in which the refund is issued.

Form 1099G reflects all Kentucky refunds that were credited to you for last year, including refunds from amended returns and prior year returns. The form will include any or all of your refund was that was applied to:

- an estimated tax account
- use tax
- a child support debt
- a delinquent tax liability or another bill

Even if your refund was applied to offset a bill or make a donation, federal law maintains that you received the benefit of the refund and you must report it as income.

You don't need to attach the 1099G form to your federal or state income tax returns. Just keep it for your records. If you use a professional tax preparer, please give the form to your preparer, along with your W-2s and other tax information. If your address on the form is incorrect or you have other questions please contact the Kentucky Department of Revenue at (502) 564-4581.